

111TH CONGRESS  
1ST SESSION

# H. R. 826

To establish a grant program to support cluster-based economic development efforts.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 3, 2009

Mr. MCHUGH introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To establish a grant program to support cluster-based economic development efforts.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Cluster-Based Econ-  
5       omy Enhancement Act of 2009”.

1 **SEC. 2. GRANTS FOR CLUSTER-BASED ECONOMIC DEVEL-**  
 2 **OPMENT.**

3 (a) IN GENERAL.—Title II of the Public Works and  
 4 Economic Development Act of 1965 (42 U.S.C. 3141 et  
 5 seq.) is amended by adding at the end the following:

6 **“SEC. 219. GRANTS FOR CLUSTER-BASED ECONOMIC DE-**  
 7 **VELOPMENT.**

8 “(a) DEFINITIONS.—In this section, the following  
 9 definitions apply:

10 “(1) CLUSTER.—The term ‘cluster’ means a ge-  
 11 ographic concentration of business entities that—

12 “(A) are in competing, complementary, or  
 13 interdependent firms and industries;

14 “(B) do business with one another; and

15 “(C) have common needs for talent, tech-  
 16 nology, and infrastructure.

17 “(2) ELIGIBLE APPLICANT.—The term ‘eligible  
 18 applicant’ means—

19 “(A) a State or local government;

20 “(B) an institution of higher education; or

21 “(C) a nonprofit economic development or-  
 22 ganization.

23 “(3) REGION.—The term ‘region’ means an  
 24 area that on the date of submission of an application  
 25 for a grant under this section, meets 1 or more of  
 26 the criteria described in section 301(a), and—

1 “(A) is determined by the Secretary to  
2 qualify for a grant under this section; or

3 “(B) has been designated by the Consoli-  
4 dated Farm and Rural Development Act and  
5 the Food, Conservation, and Energy Act of  
6 2008, as an area in which a regional develop-  
7 ment commission has been established, includ-  
8 ing:

9 “(i) THE DELTA REGION.—The term  
10 ‘Delta Region’ means the region defined in  
11 section 382A(2) of the Consolidated Farm  
12 and Rural Development Act (7 U.S.C.  
13 2009aa(2)).

14 “(ii) THE NORTHERN GREAT PLAINS  
15 REGION.—The term ‘Northern Great  
16 Plains Region’ means the region defined in  
17 section 383A(4) of the Consolidated Farm  
18 and Rural Development Act (7 U.S.C.  
19 2009bb(4)).

20 “(iii) THE SOUTHEAST CRESCENT RE-  
21 GION.—The term ‘Southeast Crescent Re-  
22 gion’ means the region defined in section  
23 15731 of title 40, United States Code (as  
24 amended by the Food, Conservation, and

1 Energy Act of 2008 (Public Law 110–  
2 234)).

3 “(iv) THE SOUTHWEST BORDER RE-  
4 GION.—The term ‘Southwest Border Re-  
5 gion’ means the region defined in section  
6 15732 of title 40, United States Code (as  
7 amended by the Food, Conservation, and  
8 Energy Act of 2008 (Public Law 110–  
9 234)).

10 “(v) THE NORTHERN BORDER RE-  
11 GION.—The term ‘Northern Border Re-  
12 gion’ means the region defined in section  
13 15733 of title 40, United States Code (as  
14 amended by the Food, Conservation, and  
15 Energy Act of 2008 (Public Law 110–  
16 234)).

17 “(b) GRANTS.—On the application of an eligible ap-  
18 plicant, the Secretary may make a grant—

19 “(1) to assess the potential for the development  
20 of clusters and the enhancement of existing clusters;

21 “(2) to establish cluster development programs  
22 in a region; and

23 “(3) to promote cluster development programs  
24 in a region and support the staff who operate such  
25 programs.

1 “(c) COST SHARING.—

2 “(1) IN GENERAL.—The Federal share of the  
3 cost of a project carried out using funds made avail-  
4 able under this section shall be 50 percent.

5 “(2) IN-KIND CONTRIBUTIONS.—Not more than  
6 50 percent of the non-Federal share of the cost of  
7 a project carried out using funds made available  
8 under this section may be provided through in-kind  
9 contributions.

10 “(3) INAPPLICABILITY OF CERTAIN SECTION.—  
11 Section 204 shall not apply to this section.

12 “(d) AUTHORIZATION OF APPROPRIATIONS.—There  
13 is authorized to be appropriated to carry out this section  
14 \$50,000,000, to remain available until expended.”.

15 (b) CONFORMING AMENDMENT.—The table of con-  
16 tents contained in section 1(b) of the Public Works and  
17 Economic Development Act of 1965 (42 U.S.C. 3121  
18 note) is amended by inserting after the item relating to  
19 section 218 the following:

“Sec. 219. Grants for cluster-based economic development.”.

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